



WORKFORCE OBSERVATIONS

State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

FOR MILWAUKEE/WOW COUNTIES

MILWAUKEE, WASHINGTON, OZAUKEE AND WAUKESHA COUNTIES

June 2004

MAY BRINGS IMPROVEMENT TO THE NUMBER OF JOBS

Milwaukee County's unemployment rate in May was 6.5 percent. Like the majority of Wisconsin counties, May's unemployment rate was lower than the previous month's rate and that of May 2003; in these cases by one-tenth and seven-tenths of a percentage point, respectively. Annually, Milwaukee County's labor force showed approximately 10,000

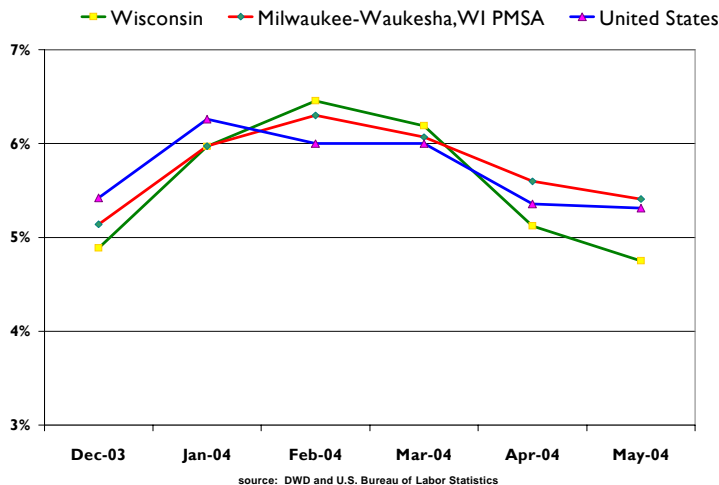
more employed residents and 2,900 fewer unemployed.

May's unemployment rate in **Washington County** registered a clip of 4.4 percent. The rate decreased over the month by two-tenths of a percentage point and over the year by seven-tenths.

Ozaukee County showed the

state's second lowest, county-level unemployment rate in May at 3.1 percent. May's rate was down slightly compared to April by one-tenth of a percentage point, but it shows the metro area's largest drop in rate from an annual perspective dropping by 1.0 percent point compared to May 2003. There were 1,000 more employed and about 500 fewer unemployed Ozaukee residents compared to last May.

Six-Month Unemployment Rate Watch



Waukesha County's unemployment rate dipped two-tenths of a point to 3.9% in May. This is the first time that Waukesha's unemployment rate has dropped below the four percent mark in 2004. Annually, the unemployment rate is lower by five-tenths of percentage point representing about 4,600 more employed and almost 900 fewer unemployed.

From a not seasonally adjusted basis, the unemployment rate of the **Milwaukee-Waukesha MSA** stood at 5.4 percent in

Civilian Labor Force Estimates for Milwaukee-Waukesha MSA counties: May 2004

	Wisconsin			Milwaukee-Waukesha MSA			Milwaukee County		
	May-04	Apr-04	May-03	May-04	Apr-04	May-03	May-04	Apr-04	May-03
Labor force	3,097,813	3,081,638	3,060,266	831,326	826,612	818,986	492,070	489,248	485,009
Employed	2,950,608	2,923,741	2,896,172	786,359	780,335	769,280	460,254	456,728	450,257
Unemployed	147,205	157,897	164,094	44,967	46,277	49,706	31,816	32,520	34,752
% Unemployed	4.8%	5.1%	5.4%	5.4%	5.6%	6.1%	6.5%	6.6%	7.2%
	Washington County			Ozaukee County			Waukesha County		
	May-04	Apr-04	May-03	May-04	Apr-04	May-03	May-04	Apr-04	May-03
Labor force	70,658	70,236	69,648	49,037	48,721	48,491	219,562	218,408	215,838
Employed	67,557	67,039	66,089	47,522	47,158	46,490	211,027	209,410	206,443
Unemployed	3,101	3,197	3,559	1,515	1,563	2,001	8,535	8,998	9,395
% Unemployed	4.4%	4.6%	5.1%	3.1%	3.2%	4.1%	3.9%	4.1%	4.4%

Source: U.S. Bureau of Labor Statistics and DWD, Local Area Unemployment Statistics. Figures are not seasonally adjusted and current month's data are preliminary

Industry Employment Estimates for the Milwaukee-Waukesha MSA: May 2004

Place of Work Employment in 1,000's	Change since			Change since		
	May-04	April 2004	May 2003	May-04	April 2004	May 2003
All Industries	2,832.4	35.2	36.4	844.0	10.3	9.7
Construction/Natural Resources	132.7	7.8	0.9	31.8	1.3	-2.2
Manufacturing	508.7	4.7	4.1	134.6	0.4	-2.2
Retail Trade	322.7	3.9	6.7	81.0	1.2	-0.8
Wholesale Trade	117.2	1.3	4.3	41.4	0.7	1.4
Transport/Warehouse/Utilities	105.3	0.6	-1.9	31.1	0.5	0.4
Financial Activities	159.4	0.9	2.4	61.1	0.0	2.6
Education and Health Services	375.0	0.5	10.9	134.0	0.7	5.8
Leisure and Hospitality	255.5	13.3	3.4	70.1	3.7	3.1
Info./Prof./Bus.and Other Services	436.2	3.0	10.3	165.6	1.6	3.0
Information	48.2	-0.2	-1.4	19.3	-0.2	0.9
Professional and Business Services	257.9	2.8	14.2	106.6	1.4	3.4
Other Services	130.1	0.4	-2.5	39.7	0.4	-1.3
Fed/State/Local Government	419.7	-0.8	-4.7	93.3	0.2	-1.4

Source: U.S. Bureau of Labor Statistics and DWD, Current Employment Statistics. Figures are rounded and may not sum to total. Current month's figures are preliminary

May. Naturally, the metro area's monthly and annual change in unemployment rate resembled its component counties dropping by two-tenths of a percentage point and annually by seven-tenths of a point. The monthly increase in the labor force over the month was buoyed by an increase of about 4,700 more employed. Annually, there were over 17,000 more employed residents in the metro area and over 4,700 fewer unemployed. This was the first annual decrease in unemployment rate for the month of May since 1999.

Nonfarm wage and salary estimates, which tally the number of jobs by industry in the **Milwaukee-Waukesha MSA**, showed a total of 844,000 jobs in May.

The monthly increase in the number of jobs equaled about 10,300 jobs overall as the majority of sectors showed improvement in their numbers of employed. Two goods producing sectors, construction and manufacturing, showed gains in jobs of 1,300 and 400 jobs, respectively. This was the second month in a row for manufacturing to show a gain in

employment. Employment gains in the services-providing sectors were found in leisure and hospitality (+3,700 jobs), both wholesale and retail trade (+1,900 jobs) and professional and business services (+1,400 jobs). Monthly gains in these sectors were largely seasonal, though the gain in professional and business services was larger than usual and points to a boost in employment services hiring, which has been hiring robustly in the last two months.

With April's industry employment estimates having been revised upwards, May marks the second month in a row to show an overall, annual gain of total employment. The metro area shows total net growth of 9,700 jobs compared to May 2003. This net gain is a loss of 4,400 goods-producing jobs offset by a 14,100 gain in services-providing employment.

A detailed breakout of this annual change shows construction and manufacturing employment each showing an annual decrease of 2,200 jobs. The majority of services-providing sectors show gains over

the year. The largest annual gains by sector were in education and health services, professional and business services, leisure and hospitality, and financial activities. The government sector and other services sector showed annual employment losses.

An even more detailed view of these sectors at the industry level shows retail trade is lower by 800 jobs over the year. Management of companies and enterprises is lower by 1,000 jobs. Accommodation and food services employment is lower by 400 jobs. These industries, nonetheless, belong to broader sectors that have shown overall employment gains. Wholesale trade showed a healthy gain of 1,400 jobs over the year or a 3.5 percent gain.

Direct questions and comments to:

Eric Grosso, State Labor Economist

201 East Washington Avenue

Room A400

Madison, Wisconsin 53702

Phone: 608.266.7034

e-mail: eric.grosso@dwd.state.wi.us

Find the most current labor market info at:

WWW.DWD.STATE.WI.US/LMI